

Montana Department of Natural Resources and Conservation

Reclamation and Development Grants Program



**2022 Project Grant Application
Guidelines and Forms**

Applications due May 16, 2022

Reclamation and Development Grants Program

Grant Application Instructions and Forms

Application Deadline May 16, 2022



**Montana Department of Natural Resources
and Conservation
Resource Development Bureau
PO Box 201601
1539 Eleventh Avenue
Helena, MT 59620
Telephone: (406) 444-6668**

This application is also available at the DNRC web site:

<http://dnrc.mt.gov/divisions/cadd/resource-development/reclamation-and-development-grants-program>

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Overview of the Reclamation and Development Grants Program

1 INTRODUCTION

The Reclamation and Development Grants Program (RDGP) is a state-funded grant program designed to fund projects that indemnify Montana citizens for the effects of mineral development on public resources and that meet other crucial state needs, serving the public interest and the total environment of the people of Montana. The Montana Department of Natural Resources and Conservation (DNRC) administers the program.

The RDGP receives funding from the natural resources projects state special revenue account established by MCA 15-38-302. This account is funded by interest income from the Resource Indemnity Trust (RIT) Fund (established by MCA 15-38-201) and certain natural resource taxes.

1.1 DEFINITIONS

Crucial state need - a documented set of circumstances or conditions that require action to prevent or eliminate severe and unacceptable damage to Montana's environment. "Crucial state need" means that a project is of critical importance to all Montana and its citizens.

Financially feasible - adequate funds are available to complete the project as approved.

Mineral - any precious stones or gems, gold, silver, copper, coal, lead, petroleum, natural gas, oil, uranium, or other non-renewable merchantable product extracted from the surface or sub-surface of the state of Montana.

Mineral development - exploration, extraction, processing, or other activity related to the production of a mineral.

Mitigation - the act of rectifying an impact by repairing, rehabilitating, or restoring the affected environment; reducing or eliminating an impact over time by operations that preserve or maintain the environment; or compensating for an impact by replacing or providing substitute resources or habitats.

Project - a planned and coordinated action or series of actions addressing an objective consistent with the policy and purpose of the RDGP. A project may consist of problem analysis, feasibility or design studies, environmental monitoring, remedial action plans or implementation, technology demonstration, research, construction of capital facilities, or other related actions.

Public benefits - those benefits that accrue to citizens as a group and enhance the common well-being of the people of Montana.

Public resources - the natural resources of the state, including air, water, soil, minerals, vegetation, fish, and wildlife, and the economic, social, and cultural conditions of Montana.

Qualified - an application that convincingly demonstrates public benefits, need, and technical and financial feasibility.

Technically feasible - a project or activity that can be designed, constructed, operated, or carried out to accomplish its goals and objectives, using accepted engineering and other technical principles and concepts.

1.2 PROGRAM PURPOSES

The purposes of the RDGP are (1) to repair, reclaim, and mitigate environmental damage to public resources from non-renewable resource extraction and (2) to develop and ensure the quality of public resources for the benefit of all Montana citizens.

1.3 ELIGIBILITY REQUIREMENTS

1.3.1 Eligible Applicants

Any department, agency, board, commission, or other division of state government, city, county, or other division of local government, or tribal government within the state may apply.

Examples of eligible applicants include:

Cities	Rural improvement districts	Conservation districts
State agencies	Counties	County sewer districts
Towns	Tribal governments	County water districts
Universities	Irrigation districts	

Private persons or companies and federal agencies are not eligible for RDGP funding.

1.3.2 Eligible Projects

Proposed projects must provide benefits in one of two categories: (1) mineral development impacts (reclamation of impacts from non-renewable resource extraction) or (2) crucial state need. Mineral development impacts and crucial state need projects will be given equal preference in the ranking process. Projects not fitting into either of these categories will not be eligible for RDGP funding. DNRC will conduct a review and screening of all applications to determine eligibility under these two categories.

To be considered a mineral development impact project, the project goals and objectives must achieve at least one of the following:

1. Reclaim land, water or other resources adversely affected by mineral development.
2. Mitigate damage to public resources caused by mineral development.
3. Research, demonstrate, or provide technical assistance to promote the wise use of Montana minerals, including efforts to make processing more environmentally compatible.
4. Investigate and remediate sites where hazardous wastes or regulated substances threaten public health or the environment.
5. Research to assess existing or potential environmental damage resulting from mineral development.

If there is a crucial state need to protect Montana's environment, DNRC and the Governor may recommend that the Legislature approve funding for projects in addition to those project types described in 1 through 5 above. Projects that meet a crucial state need must prevent or eliminate severe and unacceptable damage to natural resources or capture extraordinary public benefit that would otherwise be lost. They must have a regional or statewide importance. Public benefit from implementation of this type of project must directly relate to natural resources. The critical and urgent nature of the proposed project must be clearly demonstrated in the application.

To be eligible for RDGP funding, a project must:

1. Be technically and financially feasible.
2. Be the most cost-effective alternative to address a problem or attain an objective.
3. Comply with statutory and regulatory standards protecting environmental quality.
4. Be from an applicant able and willing to enter into an agreement with DNRC for the implementation of the proposed project.

A project is **not** eligible for funding under the RDGP to the extent that the project is eligible for and can reasonably be expected to receive funding from other state or federal programs, or any program or act that provides funding to accomplish remedial action for environmental damage, or if the project is permitted under Title 82, Chapters 4 or 11 (Reclamation and Oil and Gas Conservation statutes).

The RDGP is not intended to be a continuous funding source for the administration or personnel costs of long-term activities or programs that are more appropriately funded through the State budget process. DNRC may recommend that such ongoing activities or projects not be funded. For short-term projects that are part of long-term projects or programs, DNRC may recommend funding if the project produces discrete, identifiable products or results upon completion of the short-term projects or phases.

1.4 FUNDING FOR PROJECTS

1.4.1 Grant Amount

DNRC will recommend up to **\$300,000** for most projects. DNRC may recommend up to \$500,000 for a project if the applicant has clearly demonstrated significant natural resource benefits and the financial need and unavailability of other funds to complete the project. The Legislature may choose to award a lower or higher amount. An applicant proposing more than one project must submit a separate application for each. There is no minimum funding limit.

1.4.2 Leveraging of Other Funds

With limited available funds, applicants should seek out and secure other financial resources to increase the project impact. Projects that leverage funding will receive points proportional to the amount of non-State matching funds. These points raise the priority of the project in the ranking system. Matching contributions may be in the form of in-kind services or cash. However, all contributions must be targeted for expenditure on the project specifically identified in the application. Funds or services expended on the project prior to application are eligible as matching contributions to the extent that they apply directly to the project being applied for and are substantiated by accounting records.

1.4.3 Funding for Approved Projects

Funds for projects approved by the Legislature are awarded according to the funding priority list set by the Legislature. Program funding becomes available throughout the two-year funding cycle beginning July 1 of every odd-numbered year; applicants are notified when grant funds are available for their project which may not occur until later in the biennium. Grant funds are available until funds are exhausted. Not all approved projects will be funded if the total amount requested exceeds available funds. If applicants are unsuccessful in obtaining funds, they can apply during the following grant cycle.

2 SUBMITTAL INSTRUCTIONS

DNRC requires two forms of applications to meet the needs of multiple reviewers during the evaluation, scoring, and ranking process. Application forms must be submitted online at <https://grants.dnrc.mt.gov> **and** additional application documents must be postmarked to the DNRC office **no later than 5 PM May 16, 2022**. If you have questions, please contact our office at (406) 444-6668. Late applications will not be considered. Incomplete applications may be disqualified.

Applications must be submitted by the applicant. Consultants, engineers, and others hired by the applicant may be a collaborator but cannot submit the application to DNRC. The online application includes a video that demonstrates how to add a collaborator.

Applicants must submit the following by **5:00 PM on Monday, May 16, 2022**:

Submitted Online: Submit online application at <https://grants.dnrc.mt.gov>

The online application will have the following components:

- Project Summary Form and Abstract entered into the online form
- Project Narrative, Project Budget, Environmental Checklist, and Liability Determination uploaded as a Word or PDF attachment
- Project location map, uploaded as an attachment
- Other attachments, such as letters of support, or other project documentation

Submitted by Mail:

- One unbound hard copy of the entire application including all supporting documentation.

Montana DNRC
Resource Development Bureau
P.O. Box 201601
Helena, MT 59620-1601
Phone: (406) 444-6668
<https://grants.dnrc.mt.gov>

DNRC can provide instructions for how to register for an account and for how to complete an online grant application. Please call Heidi Anderson Felnagy at 406-444-6691 for questions or technical support. Additional help can be found on the DNRC RDGP webpage: <http://dnrc.mt.gov/divisions/cadd/resource-development/reclamation-and-development-grants-program>.

3 APPLICATION REVIEW AND EVALUATION

DNRC will review and rank the applications during the summer of 2022. The ranking and funding recommendations will be submitted to the Governor for approval in the fall of 2022. DNRC will prepare a report and submit it to the Legislature to document the approved ranking and recommendations. The application review and evaluation process consist of two major steps: 1) review and screening of applications and 2) application evaluation, scoring, and ranking.

3.1 REVIEW AND SCREENING OF APPLICATIONS

DNRC will review each application for basic eligibility and for completeness. In general, information submitted after the application due date will not be considered unless the information is specifically requested by DNRC. Applicants should inform DNRC during the review process of any developments that would affect the viability of the proposed project. DNRC may contact the applicant to obtain omitted information, to clarify issues, or to verify information contained in the application. All applications are subject to public review.

3.2 APPLICATION EVALUATION, SCORING, AND RANKING

A ranking system has been developed for objective evaluation of proposed projects and is based on RDGP statute (MCA 90-2-1113). The various evaluation criteria carry different weight. Each criterion is assigned a numerical score representing its relative importance.

After reviewing each eligible application and any review comments, a ranking team including DNRC staff, state and federal workers, subject matter experts, and contracted reviewers will assess the degree to which proposed projects respond to each criterion. Scores will be assigned to each project on the basis of how well it meets each criterion. If the ranking team determines that the applicant has inadequately documented specific statements made in the attempt to meet a criterion, it may assign a lower score.

3.3 EVALUATION CRITERIA

RDGP applications that meet review and screening requirements will be evaluated according to the criteria listed below and described in detail in this section.

<u>Ranking Categories</u>	<u>Percent of Score</u>
Natural Resource and Public Benefits	39%
Need and Urgency	17%
Technical Feasibility	18%
Financial Feasibility	14%
Project Management/Organization	12%

Natural Resource and Public Benefits (39% of total score)

- The degree to which the project
 - *Mineral Development Projects ONLY:* repairs, reclaims, or mitigates environmental damage to natural resources from mineral development
 - OR
 - *Crucial State Need Projects ONLY:* prevents or eliminates severe and unacceptable damage to public resources or captures extraordinary public benefits that would otherwise be lost. These projects must have a regional or statewide importance.
- The degree to which the project conserves natural resources
- The degree to which the project protects public health, safety, and welfare
- The degree to which all Montanans benefit from the project, directly and indirectly
- The degree to which jobs are created for persons who need job training, receive public assistance, or are chronically unemployed
- The degree to which the project natural resource benefits are certain and long term

Need and Urgency (17% of total score)

- The degree to which the project identifies an immediate need
- The impact of no action
- The severity of the problem and the extent of the problem area
- The number and type of natural resources affected

Technical Feasibility (18% of total score)

- The degree to which the project results are attainable and effective
- The degree to which the applicant has developed a well-reasoned, achievable strategy for dealing with the identified need or problem
- The level of support for the project from the grant recipient, stakeholders, and others
- The level of technical documentation supporting the problem or need

Financial Feasibility (14% of total score)

- The reasonableness, clarity, and completeness of the project budget
- The cost-effectiveness of the project
- The combined percent of non-state match contributions and applicants match (relative to total project costs)

Project Management/Organization (12% of total score)

- The degree to which the applicant evidences the ability to implement approaches resulting in effective and efficient work performance
- Applicant's past record of performance
- The skills, qualifications, and experience of the project manager, key personnel, sponsors, and contractors in the appropriate field
- The applicant has allocated sufficient time and budget to meet DNRC reporting requirements

3.4 AWARDING OF GRANT FUNDS

DNRC solicits, evaluates, and ranks each application submitted to the RDGP and forwards its recommendations for funding to the Governor's Office before each regular legislative session. With the Governor's approval, these recommendations are submitted to the Legislature. The Legislature makes the final decision on which projects

will be funded. DNRC will provide updates to the applicant throughout this process. Contracting of projects cannot begin until the bill authorizing funding for the projects becomes effective and funding becomes available for the project.

4 GRANT RECIPIENT RESPONSIBILITIES

If a project is approved for funding, the applicant must enter into a grant agreement with DNRC before expenditures begin. Because availability of grant funds is dependent on the rate tax revenues are deposited in the DNRC projects account, funding for lower ranked projects may not be available until later in the biennium. The grant agreement will be prepared when funding is available, and the grant recipient is ready. A detailed scope of work and budget are required in all agreements and must be approved by DNRC before work begins on the project.

Expenses incurred before the grant agreement is signed will not be reimbursed.

All successfully awarded applicants are required to follow applicable state, federal and local laws and ordinances.

Applicable laws governing contracting and procurement must be followed, and grant recipients must keep accurate financial records and documentation for audits. Grant recipients must permit DNRC to monitor work performance and visit the project sites.

Projects that are completed or initiated that are later determined to be contrary to state, federal or local laws or ordinances in whole or in part may not receive reimbursement and may subject the applicant to agency enforcement actions under MCA 85-2-114 or other enforcement authority depending on the source of the violation.

4.1 WATER RIGHTS

If you are developing a new water appropriation, i.e. water storage, water conservation, water salvage, or water reuse project, or changing an existing water right with the project, you are urged to contact your local DNRC Regional Office and have your technical and conceptual information reviewed. Indicate if you have contacted the DNRC regional office and attach a letter from the DNRC Regional Office that indicates if a permit, change authorization, or no action is required.

If you have questions regarding the water rights or a change in an existing water right for this project, contact your local DNRC Regional Office for assistance. For questions, contact DNRC Water Resources Division (406) 444-6601.

4.2 PERMITS

It is an applicant's responsibility to ensure any permit or authorization required by law is obtained at the appropriate time, including before a project begins. Applicants should also be aware that projects involving disturbing the bed or banks of perennial streams may require a 310 permit. The local Conservation District may be able to assist you in determining if such a permit may be required.

If you have questions regarding 310 permitting requirements, contact your local conservation district with questions and be prepared to provide your conceptual and technical information to the district if your project is in proximity to a perennial stream bed or banks. Conservation district contact information is on the following website: <http://dnrc.mt.gov/divisions/cardd/conservation-districts>.

4.3 ACTIVITIES IN SAGE GROUSE HABITAT

Activities that occur in designated sage grouse habitat are subject to Executive Order 12-2015. Consult with the Sage Grouse Habitat Conservation Program prior to submitting a grant application. See program webpage for more information <https://sagegrouse.mt.gov/>.

4.4 PROJECT REPORTING REQUIREMENTS

The grant agreement will outline project progress reporting requirements and will include both narrative and financial reports. The grant recipient is responsible for submitting progress reports throughout the length of the project, at least quarterly, and with every reimbursement request. Additional information about grant recipient responsibilities on reporting, invoicing, and contract management can be found on the DNRC Resource Development Bureau Resources and Training page (<http://dnrc.mt.gov/divisions/cardd/resource-development/resources-and-training>)

When the project is completed, the grant recipient must prepare and submit a clear, comprehensive final report containing a description of tasks completed, all data gathered, natural resources and public benefits of the project, a final budget including match contributions and conclusions or recommendations. The final report for the project will be made available on the DNRC website (<http://dnrc.mt.gov/divisions/cardd/resource-development/funded-projects>).

RDGP Grant Application

1 APPLICATION INSTRUCTIONS

The application consists of an online form and uploaded documents and forms. Each of these are described in the sections below. The application has been organized to facilitate reporting to the Legislature, project review and ranking, and the contracting of projects that have been selected for funding. The abstract will be used in the report to the Legislature. All sections of the grant application will be used in project evaluation and ranking.

Someone from the applying entity **must be the submitter** in Submittable (grants.dnrc.mt.gov), or the application may be denied. For example, the town clerk can submit the application for the town, but *not* the consultant hired to complete the project. The consultant, however, can fill out the form for the Town. The clerk, or someone from the applying entity, will still have to click submit once the application is complete. The applicant can enable the consultant or someone outside the applying entity to fill out the application by inviting them as a collaborator. The online application contains a video demonstrating how to add a collaborator to the application.

1.1 TIPS FOR PREPARING APPLICATIONS

Look for grey boxes throughout the application with tips and examples on how to prepare your application.

- ✓ Make sure your agency and project are eligible for funding.
- ✓ Start early. Give yourself plenty of time to write the application.
- ✓ Develop a clear idea and approach for the project and clearly identify the final product.
- ✓ Make sure the bulk of the grant addresses the ranking criteria.
- ✓ All basic information requested in the grant application should be provided in the main application text, not in the appendices. Appendices should provide supporting information but not serve as the primary source of that information. If critical information is buried in the appendices, it might not receive due consideration in the grant evaluation.
- ✓ The project's scope of work is legislatively approved and the intent of the project must remain intact. A substantial change in the proposed scope of work may result in a change in grant funding for the project.
- ✓ Make sure the budget is clearly tied to the activities/tasks and objectives outlined in the application.
- ✓ Show how amounts in each of the budget line items were calculated.
- ✓ Explore more than one alternative in the [Project Need and Alternatives Analysis](#) section of the application.
- ✓ Make sure to include sufficient time and money for project reporting to DNRC.
- ✓ Talk to staff in the Reclamation and Development Grants Program and experts in the project field.
- ✓ Develop and document support from agencies or groups that will benefit from your project or provide access to the project site.

- ✓ Make sure that the project is coordinated with appropriate regulatory jurisdictions before application submittal.
- ✓ Additional resources are available on the DNRC Resource Development Bureau Resources and Training Webpage: <http://dnrc.mt.gov/divisions/cardd/resource-development/resources-and-training>
- ✓ Final reports from projects funded in prior years are available online: <http://dnrc.mt.gov/divisions/cardd/resource-development/funded-projects>

1.2 APPLICATION COMPLETION CHECKLIST

Applications are due no later than 5:00 PM, May 16, 2022.

Please include each of the following items in your application:

✓ **Application Completion:**

- ☐ Online Application Form
- ☐ Uploaded to Online Application Form:
 - ☐ Project Narrative, to include:
 - ☐ Project Need and Alternatives Analysis
 - ☐ Scope of Work
 - ☐ Natural Resource and Public Benefits
 - ☐ Project Management and Organization Capacity
 - ☐ Liability Determination
 - ☐ Project Budget, to include:
 - ☐ Budget Table 1
 - ☐ Supporting Documentation of Match
 - ☐ Budget Table 2
 - ☐ Budget Justification Narrative
- ☐ Environmental Checklist

✓ **Application Submittal:**

- ☐ Online application submission to <https://grants.dnrc.mt.gov>
- ☐ Mailed to DNRC:
 - ☐ One unbound hard copy of the entire application including all supporting documentation

2 GRANT APPLICATION SUMMARY AND AUTHORIZATION FORMS

2.1 GRANT APPLICATION SUMMARY*

* This will be filled into the online application form.

Project Information

Applicant Name _____
(city, county, tribal government, district, other local or state government entity)

Project Title _____
(Describe the specific project. Example: Tramway Creek Mine Reclamation)

Brief Project Description _____
(For example: reclamation, brownfields, VCRA project, oil and gas well plugging, hazardous substances cleanup, etc.)

Project Type

Projects are evaluated either as a mineral development project **or** a crucial state need project. Please indicate which category this project falls into below and select all applicable subcategories:

Mineral Development Project

- ☐ This project repairs, reclaims or mitigates environmental damage to natural resources from non-renewable resource extraction or hazardous materials (check all applicable boxes).
 - ☐ Mining reclamation
 - ☐ Oil and gas well plugging and reclamation
 - ☐ Brownfields
 - ☐ Hazardous substances cleanup
 - ☐ Voluntary Cleanup and Redevelopment Act project
 - ☐ Superfund area
 - ☐ Other _____

OR

Crucial State Need Project

- ☐ This project is a crucial state need (For eligibility, projects must be able to check all boxes below).
 - ☐ Project protects Montana's environment
 - ☐ Project is of statewide or regional importance
 - ☐ Project prevents or eliminates severe damage to natural resources
 - ☐ Supporting documentation has been provided (see [Crucial State Need Documentation](#))

Project Location

Latitude (decimal degrees) _____ Longitude (decimal degrees) _____

Senate District _____ House District _____

County(s) _____

Nearest City/Town(s) _____

Project Schedule

Estimated project start date: _____ Estimated project end date: _____

Project Budget

DNRC RDG Request _____

Total Other Funding Sources _____

Total Project Cost _____

Applicant Contact Information

1. Authorized Person _____
(Person authorized to enter into a grant agreement with DNRC.)

Title _____

Mailing Address _____

City, State, Zip _____

Telephone _____ Email _____

2. Contact Person _____
(Person to contact about the proposed project. Must be knowledgeable about the project.)

Title _____

Mailing Address (if different from applicant) _____

City, State, Zip _____

Telephone _____ Email _____

3. Project Engineer/Consultant _____
(Person to contact with questions about the proposed project)

Company Name _____

Mailing Address (if different from applicant) _____

City, State, Zip _____

Telephone _____ Email _____

4. Additional Contact _____
(Person authorized to enter into a grant agreement with DNRC.)

Title _____

Mailing Address _____

City, State, Zip _____

Telephone _____ Email _____

Authorizing Statement

Download the authorizing statement from the link below. The authorizing statement must be filled out and signed by an authorized representative for the applying entity. The authorized representative is the person legally authorized to enter into an agreement with DNRC. This is typically an elected official such as a county commissioner for a county, a mayor for a town, or a district chair for a district.

Authorizing Statement: <http://dnrc.mt.gov/divisions/cadd/docs/rdg-docs/authorizing-statement.pdf>

3 PROJECT ABSTRACT

* The project abstract will be filled into the online application form.

Submit a short narrative abstract that describes the project, its merits and purpose. This abstract will be incorporated into the RDG Program report to the Montana Legislature and should provide accurate information that best describes the project's natural resource benefits and other merits. Legislative assessment of the benefits of each project will be based primarily on ranking recommendations and this summary.

The abstract is a 1-2 paragraph summary of the project that includes:

- Applicant name and name of project.
- Project goals and objectives.
- Brief discussion of the problem or need that the project addresses.
- Natural resource benefits of the project.
- Description of the project area or site. Identify whether the project is statewide. For regional projects, describe the region. For site-specific projects, describe the general location.

Your abstract should contain **no more than 250 words**. It may be helpful to write your abstract after you complete the application.

Example from the Governor's Executive Budget Fiscal Years 2020-2021:

This project is part of a cooperative effort by Trout Unlimited, the Lolo National Forest, Montana DEQ, and Missoula County to clean up abandoned mine sites in the Ninemile Creek watershed. The project will restore stream and floodplain functions to 4,500 feet of Ninemile Creek, a tributary to the Clark Fork River, near Huson, Montana. The primary goals of the project are to reclaim mining impacts, improve water quality, and reconnect previously damaged tributaries. Extensive placer piles will be regraded and used to fill settling ponds to create a more uniform floodplain surface. The floodplain will be shaped to incorporate microtopography and woody debris, then revegetated with native plants. The stream channel will be reconstructed through the reclaimed floodplain and will include diverse habitat for fish and wildlife.

Representative Picture or Map of the Project

DNRC Reclamation and Development Project grants are submitted to the Governor and the Legislature for approval. To help us prepare for this process, please submit 1-2 pictures or maps that showcase the need for the project.

4 PROJECT NARRATIVE

4.1 INSTRUCTIONS

The Project Narrative includes Sections 4.2 - Project Need and Alternatives Analysis, 4.3 - Scope of Work, 4.4 - Natural Resource and Project Benefits, 4.5 - Project Management and Organization Capability, and 4.6 - Liable Party Determination. All sections must be completed in order and in their entirety. Liable Party Determination is required for all applications. Please upload the Project Narrative as a word or pdf document to the online application form.

4.2 PROJECT NEED AND ALTERNATIVES ANALYSIS

Provide a technical description of the project including the problem, goals, history, and alternatives to meet project goals. This description must demonstrate the need for the project and that it is the best alternative to provide the project benefits.

Information within this section will be used to evaluate the need and urgency and technical feasibility of the project and may be used to determine the natural resource and public benefits and financial feasibility. It will be helpful to review the [evaluation criteria](#) on page 6 of the application when you are writing this section of your application.

The following criteria are strongly considered when evaluating this step of the application:

- Clear explanation of project goals and objectives
- Clear explanation of the need and urgency of the project
- Clear documentation demonstrating the problem or need
- The natural resource benefits and cost-effectiveness of the selected alternative

The technical description of the project must contain the following sections:

4.2.1 Goals and Objectives

List project goals and objectives. Project goals should be broad and provide a general statement of the project purpose. Each goal should have at least one measurable objective. The objective should describe a specific outcome of the project and when this outcome will be achieved.

Example: The goal for a reclamation project may be to reduce water pollution on a particular stream. The objective would be to remove mine tailings from the stream channel by July 2024.

4.2.2 Problem History

Give a history of the problem that will be resolved by the project and all previous work that has been done to address this problem. List all technical reports and studies that relate to the project. Provide appropriate data concerning the natural features of the project area, such as soils, vegetation, geology, and hydrology.

4.2.3 Need and Urgency

A. Need and Urgency Narrative

Describe the need and urgency for the project. Please include the following information in your narrative:

- Describe the project need including a) the number and type of resources affected; b) who is affected and how they are affected by the problem; and c) if the project prevents a potential threat to public health or safety.
- Explain the immediacy of the need or problem, including the cause and how long it has existed.
- Explain the severity of the problem or need, and the extent of the area involved.
- Explain how the project's stated goals and objectives will meet the need.

B. Crucial State Need Documentation

Crucial state need projects must also address the following. Mineral development projects should not complete the crucial state need documentation.

- Describe the size of the area and the number of people affected by the problem.
- Provide evidence of agency and public support for the project. Supporting documentation must include:
 - Analysis and opinion that your project is a crucial state need by a knowledgeable and authoritative source, preferably a State agency, relative to the following:
 - The potential threat to public health and safety
 - The validity of the problem or need
 - The consequences of no action or delayed action
 - The severity of the problem or need
 - The estimated number of people affected, directly and indirectly
 - The level of support for the project
 - Whether the stated objectives will meet the need
 - Whether the source supports the project
 - Documentation of circumstances or conditions that require action to prevent or eliminate severe and unacceptable damage to natural resources or documentation of how the project captures extraordinary public benefits that would otherwise be lost.

Please attach the documentation to this application. DNRC will determine which projects best fulfill these crucial state need requirements.

4.2.4 Project Alternatives

In this section describe the technical reasoning behind the alternatives evaluated for this project as well as a cost analysis of the alternatives. Please describe each alternative, including the preferred or selected alternative. The selected alternative will be discussed in greater detail in [4.3 Scope of Work](#) section of the application.

A. Description of Project Alternatives

Describe the alternatives considered for the proposed project. Include a discussion of the impact of no action. The descriptions of alternatives do not have to be as detailed as the description of the proposed project described in [4.3 Scope of Work](#), but enough information must be provided to

demonstrate that alternatives to the project were investigated and that the proposed project provides either greater benefits or the same benefits at a lower cost.

Alternatives are different ways to accomplish the same objective as the proposed project. A reasonable alternative is one that is practical, technically feasible, and financially feasible. A reasonable alternative should meet the goals and objectives of the proposed project. Strong applications will discuss at least one reasonable alternative in addition to the preferred alternative and the no action alternative.

Example: For a hazardous waste project, alternatives may include no action, removing contamination, and fencing or land use changes to prevent exposure.

B. Cost Benefit Analysis

Provide an analysis of the costs and benefits of each project alternative. Present the cost estimates calculated for each project alternative. Explain how the costs were calculated and what information was used to develop the costs. Provide a narrative discussion of the costs and benefits of each alternative. Describe and, if possible, quantify both the direct and indirect or secondary costs and benefits of the project.

Direct benefits are caused by the project and occur in the same time and place. Indirect benefits are secondary and occur at a different time or place. Consider who will benefit, the number of people who will benefit and the nature of the direct and indirect benefits.

For example, a mine contamination project that removes contaminated tailings from a stream will have direct benefits to the stream, soil, and habitat in that location. Indirect benefits include the downstream water quality and fisheries improvement.

For example, an economic development project may employ people in an area of high unemployment. The direct benefits of the project would include the employee salaries. These employees would spend their salaries in the community, multiplying the impact of the project. The employee expenditures would be considered indirect benefits.

4.3 SCOPE OF WORK

In order to be eligible for funding, the proposed project must be technically feasible and comply with statutory and regulatory standards protecting environmental quality. Describe in detail the work that needs to be done to complete a successful project. If the project receives RDGP funding, this scope of work will be the basis for the grant agreement between the applicant and DNRC. The following information must be included.

Information within this section will be used to evaluate the technical feasibility of the project and may be used to determine the natural resource and public benefits, need and urgency, and financial feasibility. It will be helpful to review the [evaluation criteria](#) on page 6 of the application when you are writing this section of your application.

The following criteria are strongly considered when evaluating this step of the application:

- Clear explanation of how the scope of work will meet the project goals and objectives
- The stated strategy for dealing with the identified need or problem
- The degree to which the project results are achievable, attainable, and effective

4.3.1 Tasks or Activities

Describe the individual tasks or activities necessary to accomplish the work under each objective. This description must provide sufficient detail to show that the project is technically feasible and will accomplish the project goals and objectives. The description also should provide detail concerning the specific results of each task or activity (deliverable) and when these results should be expected (schedule). Explain how these tasks will accomplish the goals and objectives of the project as described in [4.2 Project Need and Alternatives Analysis](#). Please include a specific task for grant administration and reporting.

4.3.2 Project Schedule

Provide a project schedule. The format of the project schedule may be a list of activities and dates or a detailed bar chart. The schedule should provide DNRC with a time frame for the project from the starting date through completion. The first item on the schedule should be the expected status of the project at the beginning of the contract period. Tasks or activities should be listed in the expected implementation sequence (that is, tasks that will be implemented earliest should be listed first). If some tasks must be completed before others, please indicate. If applicable, include the following expected dates in the project schedule.

- Submittal dates for all required permits, licenses, and approvals
- Dates for advertising for bids and requests for proposals
- Contract award dates
- Dates on which work on each objective will start and end
- Dates on which each task or activity will start and end
- Project completion date

4.3.3 Monitoring Plan

Explain how the project outcomes will be measured. Discuss what information will be collected and how this information will be used to ensure the quality of work. Also, identify who is responsible for monitoring the project and compiling this information.

4.3.4 Statutory and Regulatory Requirements

Explain how the project will meet applicable statutory and regulatory requirements.

4.3.5 Additional Information

Other information to include in your application:

A. Access Agreements, Deeds, Easements, Rights-of-Way

Submit a list of deeds, easements, right-of-way agreements or property agreements that will be needed before the project can begin.

B. Permits

Most construction projects or activities will require permits. Prepare a list of any permits that have been obtained and those that must be obtained to complete the project and include pertinent dates. Document that the project will comply with statutory and regulatory standards.

C. Maps and Photos

Include a clearly legible map that locates the project or activity on an aerial photo or topographic base and shows latitude and longitude or sections, townships, and ranges. Title all maps and include a scale and a north arrow. For construction cleanup projects, photographic documentation must be provided to depict site conditions before construction.

D. Plans and Specifications

Provide copies of conceptual or preliminary design plans. For construction projects, submit copies of conceptual plans and specifications prepared for the project. The plans should be prepared by a professional engineer.

E. Equipment

Identify and describe any equipment that would be purchased for the project. Provide specific justification for all acquisitions.

Equipment is generally of a non-consumable nature, has an estimated life of more than one year, and costs more than \$250.

F. Supporting Documents

Please submit copies of or electronic links to all supporting documents. This could include court orders; administrative orders from government agencies such as the U.S. Environmental Protection Agency; letters of support from federal, state, and local officials, interest groups, or affected parties; responsible party determination; and other reports or documents that support the need for and benefits of the project.

4.4 NATURAL RESOURCE AND PUBLIC BENEFITS

The purpose of the RDG Program is to fund projects that benefit public resources (see [Definitions](#) on page 1). The degree to which the proposed project provides natural resource and public benefits constitutes the largest percentage of points upon which the project will be ranked. This step of the application gives you an opportunity to highlight these benefits for the reviewers. Provide a short narrative describing the natural resource and public benefits of this project to the citizens of Montana and the environment. Where possible, quantify these benefits.

Information within this section will be used to evaluate natural resource and public benefits of the project and may be considered when evaluating the need and urgency of the project. It will be helpful to review the [evaluation criteria](#) on page 6 of the application when you are writing this section of your application.

4.4.1 Describe the natural resource benefits of the project

- For mineral development/reclamation projects, describe how the project repairs, reclaims, or mitigates environmental damage to natural resources from mineral development.
- For crucial state need projects, describe how the project prevents or eliminates severe and unacceptable damage to natural resources or captures extraordinary public benefit that would otherwise be lost.

- Discuss the number and type of natural resources affected.
- Describe how the project ensures the quality of natural resources.
- Explain how the project will conserve natural resources.
- Discuss if the project's benefits are certain and long term.

4.4.2 Describe the public benefits of your project

- Describe how Montanans will directly and indirectly benefit from the project.
- Discuss if the project increases public access.
- Explain if jobs are created by the project for people who need job training, receive public assistance, or are chronically unemployed.
- Discuss how the project protects the public health or the environment.

4.5 PROJECT MANAGEMENT AND ORGANIZATION CAPABILITY

Describe the project management and organization capability for the proposed project. Include the following information:

Information within this section will be used to evaluate the project management and organization of the project and may be considered when scoring the technical feasibility. It will be helpful to review the [evaluation criteria](#) on page 6 of the application when you are writing this section of your application.

1. Show your (the applicant) ability to implement the project. Describe how you will coordinate the project. List the title of each staff member and describe their roles and responsibilities for the project. Describe the use of consultants and volunteers. Identify who will be responsible for project reporting.
2. List the skills, qualifications, and experience of the project manager, key personnel, sponsors, and currently procured contractors in the appropriate fields.
3. Identify the procurement policy that will be used for acquiring services or supplies for the project.
4. If applicable, address the applicant's past record of performance with RDGP projects or other similar projects.
5. Describe how you will meet DNRC reporting requirements.

4.6 LIABLE PARTY DETERMINATION

Existence of liability does not automatically rule a project ineligible for RDGP funding, but may affect the amount awarded. Applicants **must** furnish the following information at the time of application submittal.

1. What is the legal description of the site?
2. What is the name of the current owner?
3. When did the damage occur?
4. Who was the owner/operator at that time? Provide as much identifying information as possible.
5. Have there been subsequent owners/operators? Provide as much identifying information as possible.
6. Who has been paying the property taxes the past 10 years?
7. Is a nuisance action currently pending? If yes, please describe.
8. Is the project now, or has it ever been, permitted, licensed or regulated by federal, state, or local rules, regulations or statutes? If yes, please list them.
9. If a principle responsible party search or other liability investigation has been conducted, please describe.
10. Is the applicant liable for the contamination at the site? If no, is the present owner liable for contamination?
11. Is the project being conducted under Montana's Voluntary Cleanup Program?
12. Identify and describe funding for the project from other cleanup programs such as:
 - ☐ Brownfields funding
 - ☐ LUST TRUST funding
 - ☐ Petrofund
 - ☐ Board of Oil and Gas Orphan Well funding
 - ☐ Surface Mine Control Reclamation Act Funding
 - ☐ Other _____ (identify)
13. Please list all past and possible cleanup funding sources and the reasonable availability of the funding.

5 PROJECT BUDGET

5.1 INSTRUCTIONS ON PREPARING THE BUDGET

Explain how the proposed project will be financed. Applications must address the financial documentation section and budget justification sections in their entirety to be eligible for funding consideration.

Information within this section will be used to evaluate the financial feasibility of the project and may be considered when scoring the technical feasibility and natural resource and public benefits of the project. The financial feasibility score is based, in part, on the amount of matching funds. It will be helpful to review the [evaluation criteria](#) on page 6 of the application when you are writing this section of your application.

The following criteria are strongly considered when evaluating this step of the application:

- Reasonableness, clarity, and completeness of the project budget
- Degree of non-state matching contributions and magnitude of the applicant's contributions
- Cost-effectiveness of the project
- Demonstration that adequate funds will be available to complete the project

The following section provides information about how to present financial information in the application and what costs are eligible.

5.1.1 Tips for Preparing a Budget

- ✓ All grant recipients must comply with the Montana Procurement Act (MCA 18-4-121) applicable to state agencies, counties, conservation districts, and municipalities.
- ✓ DNRC will reimburse project-specific administration costs only. Administration funds cannot exceed 8% of the DNRC grant request. See [Budget Category Explanation](#) below.
- ✓ Identify each employee who is needed to complete the project. Specify the expected hours, the loaded hourly wage rate, and the activity to be performed.
- ✓ Identify any services to be provided by others hired under contract. Specify the activity to be performed by contracted services.
- ✓ Identify the procurement policy to be used.
- ✓ Provide the unit costs for professional staff and contracted personnel, contracted services for engineering design, or legal advice.
- ✓ Travel rates may not exceed the current state employee rates for meals, lodging, and travel. Detail the expected travel destination, the purpose of the travel, the number of people traveling, and the number of trips to be made.
- ✓ Construction service contracts may include up to a 10 percent contingency to cover unexpected expenses. An inflation contingency may be included as a project cost and must be identified as such on the budget forms. Account for any time lapses between project approval and funding so that an inflation contingency may ensure that funds are sufficient to complete the project activity.
- ✓ DNRC will not pay interest on loans taken out to cover grant expenses.

5.1.2 Budget Category Explanation: Administration and Activity Costs

The budget is generally divided into two categories: administrative costs and activity costs.

Administrative Costs

Administrative Costs are those directly related to the administration of the grant and include accounting, budgeting, and financial management, procurement and purchasing, payroll functions (directly related to the project), audit functions, and grant reporting required by DNRC. Reimbursement requests for administrative costs must include documentation in a manner that guarantees accountability in the event of an audit. Administrative costs eligible for reimbursement may not exceed 8% of the total grant award.

Provide a cost estimate for salary or contracted services for coordination activities, project reporting, accounting, payroll expenses, audit and preparation of the Final Report. Professional and technical costs associated with grant administration need to be included in the Administration budget category. The [Budget Justification Narrative](#) must identify which costs for Administration are contracted professional and technical costs and which ones are incurred by the applicant.

Activity Costs

Activity cost are the costs incurred to complete the work described in [4.3 Scope of Work](#). Identify the cost of personnel or contracted services for professional/technical services. These costs must be project specific. Professional and technical costs associated with grant administration need to be included in the administrative costs portion of the budget.

5.1.3 Administrative Costs vs. Project Management Costs

Administrative costs are related to the salaries and contracted services for coordination with the DNRC on submittal of requests to reimburse funds, writing and submitting progress reports and the Final Report as well as project related accounting or payroll preparation expenses and audits. Identify which grant administrative tasks are being completed by the recipient and what activities are being completed by a contracted person in the budget justification narrative. Administrative costs should be included in the administrative cost portion of the budget.

Project management costs are the costs of oversight of a project from design to completion and may include managing the project and include coordination of personnel directly related to the project, monitoring the progress of the project, oversight, review and approval of project design, and construction inspection. Identify which project management tasks are being completed by the recipient and what activities are being completed by a contracted person in the budget justification narrative. Project management costs should be included in the activity cost portion of the budget.

5.1.4 Project Costs vs. Program Costs

DNRC reimburses project-specific costs only. Reimbursable costs are costs that will be incurred only by implementing the project as described in the grant agreement. Program costs are non-reimbursable costs not directly related to the project. Program costs include, but are not limited to, office rent that will be incurred whether or not the project is implemented, salaries of existing fully funded staff positions unless the workhours associated with the project are accounted for, or any other costs that pay for ongoing or general services of the applicant. See [Ineligible Costs](#) below for additional information on non-reimbursable costs.

5.1.5 Ineligible Costs

Projects that will relieve a liable party or include work on an actively permitted site are not eligible. The RDG program cannot pay for any indirect costs or any portion of a salary of a state employee. A project is not eligible for funding if it can reasonably be expected to receive full funding from another source.

Ineligible or non-reimbursable program costs are costs not directly related to the project. The following tasks are ineligible:

- Activities outside of the scope of work, including advertising, salaries and benefits, travel, conferences, professional licenses or memberships, and other expenses not directly related to the project
- Routine costs incurred by the applicant for maintenance and operation, including advertising, office rent and utilities, salaries and benefits, routine project monitoring or maintenance and routine repair and maintenance of vehicles and equipment, as well as tasks that are programmatic in nature (see [project costs vs. program cost explanation](#) above)
- Repayment of debt
- Legal fees not associated with the project
- Food and beverages for meetings
- Indirect costs (for example, facilities and administration or overhead). Indirect costs may be listed as matching funds.
- Administrative costs greater than 8% of the total project cost
- Costs incurred outside of the contract term

5.2 **FINANCIAL DOCUMENTATION**

The following items will be uploaded to the online application form.

5.2.1 **Budget Table 1: Project Funding Package**

Download Budget Table 1: Project Funding Package, fill it out, and upload it to the online application form. Please enter the total estimated project cost and the sources and amounts of ALL funding that may be used to complete the proposed activity. Include funding sources even if you have not yet applied for or have not received a commitment from the source. Indicate the type of funding from all sources, such as in-kind services, grants, cash, etc. Describe the status of those funding commitments. Committed funds must have a written letter committing funds submitted to DNRC with the application (see [Supporting Documentation](#) below).

Budget Table 1 Form: <http://dnrc.mt.gov/divisions/cadd/docs/rdg-docs/rdg-application-instructions/project-grant-instructions/rdg-budget-table-1-project-funding-package.pdf>

Estimating the Value of Volunteer Labor

Eligible in-kind contributions are those project-specific contributions associated directly with project implementation.

If your budget includes in-kind labor always reference the source for your labor value estimate. It may be helpful to use the U.S. Bureau of Labor Statistics website to estimate labor values for Montana: https://www.bls.gov/oes/current/oes_mt.htm

Instructions for Table 1: Project Funding Package

Project Funding Package				
Funding Source	Amount	Type of Fund	Status of Commitment	Date of Commitment
RDG Grant Request	<i>Enter amount of RDG grant requested in THIS APPLICATION.</i>	Grant	--	--
Other Funding Sources (Match)	Amount	Type of Fund	Status of Commitment	Date of Commitment
<i>Specify Funding Agency and Program Title for each funding source.</i>	<i>Fill in the amount of the other funding sources that will be used as match for the project.</i>	<i>Identify the type of funding: grant, loan, cash, in-kind, other</i>	<i>Indicate in the STATUS OF COMMITMENT Column if the funds are (pick one of the following):</i> <ul style="list-style-type: none"> <i>No Contact - No contact has yet been made with the funding source;</i> <i>Discussed/Not Applied - Project has been discussed with the funding source, but no application has been submitted. In the budget justification, briefly describe the likelihood of obtaining the funds;</i> <i>Funds Committed* - Funds have been committed by the funding source. Enter the date of commitment for those funds in the Date of Commitment Column.</i> <i>Application Submitted* - An application has been submitted, but funding has not yet been awarded. Enter the date of application submitted for those funds in the Date of Commitment column. In the budget justification, briefly describe status of application.</i> 	
<i>Leave blank any funding sources not needed and unused rows.</i>				
Subtotal Other Funding Sources	<i>Subtotal of Other Funding Sources. This will calculate for you. THIS MUST MATCH THE ONLINE APPLICATION.</i>	--	--	--
Project Total	<i>Total Project Cost is the sum of the RDG Planning Grant and the subtotal of the Match Funding. This will calculate for you. THIS MUST MATCH THE ONLINE APPLICATION.</i>	--	--	--

* Submit documentation of these commitments with your application (see [Supporting Documentation](#) below).

Example of Table 1: Project Funding Package

Project Funding Package				
Funding Source	Amount	Type of Fund	Status of Commitment	Date of Commitment
RDG Grant Request	\$350,000	Grant	--	--
Other Funding Sources (Match)	Amount	Type of Fund	Status of Commitment	Date of Commitment
United States Forest Service	\$25,000.00	In-Kind	Discussed/Not Applied	
DEQ Volunteer Monitoring	\$4,212.00	Grant	No Contact	
Federal Emergency Management Agency	\$250,000.00	Grant	Application Submitted*	3/12/2021
Landowner	\$20,000.00	Cash	Funds Committed*	5/9/2022
Subtotal Other Funding Sources	\$299,212.00	--	--	--
Project Total	\$649,212.00	--	--	--

* Submit documentation of these commitments with your application (see [Supporting Documentation](#) below).

5.2.2 Supporting Documentation

Submit supporting documentation to provide evidence of the financial feasibility of the proposed project. Identify these documents here and include them in supplemental materials.

- Include copies of estimates used to generate the project budget.
- Include commitment letters from other funding sources and any information that would help DNRC assess your financial commitment to project completion. Committed funds must have a written letter committing funds submitted to DNRC with the application. Documentation must be provided that other project funds are secure before DNRC can enter into a contract.

If you will or have applied for other funding or if other agencies, associations, or individuals will provide in-kind or match funding, provide the following information:

- Indicate the expected date a funding decision will be made if you requested a grant or a loan.
- If funding has been secured, provide a copy of the notice of award.
- List the cash dollars you will provide for the project and describe in-kind contributions. Provide budget documents that show any local funds committed to the proposed project.
- If local community funds are from the private sector, fully describe borrowing plans.

5.2.3 Budget Table 2. Project Budget Summary Form

Download Budget Table 2. Project Budget Summary Form, fill it out, and upload it to the online application form. This form should detail the total estimated project cost using the tasks described in [4.3 Scope of Work](#) and be supported in the [Budget Justification Narrative](#) below. Use one column for each funding source and for each type of funding (grant, loan, cash, in-kind, etc.). Place the name of the funding source in the "source" columns. The sum of the totals of each column must add up to the total estimated project cost. Add or delete columns or lines as needed.

Budget Table 2 Form: <http://dnrc.mt.gov/divisions/cadd/docs/rdg-docs/rdg-application-instructions/project-grant-instructions/rdg-budget-table-2-project-budget-summary-form.xlsx>

Instructions for Budget Table 2. Project Budget Summary Form

Category	RDGP Grant	Source 1	Source 2	Source 3	Total
		<i>Identify each source of funding. Each column should match a funding source identified in Budget Table 1.</i>			
Administrative Costs					
Personnel Costs (Applicant)	<i>Administrative Costs are the costs of administering the grant (see Budget Category Explanation and Administrative Costs vs. Project Management Costs above). All costs must be directly related to the project. Demonstrate project-specific costs above and beyond general program costs in the budget justification narrative. See also project costs vs. program costs and ineligible expenses.</i>				
Contracted Grant Administration					
Office Supplies, Office Costs, and Communications					
Travel					
Legal Costs					
Payroll and/or Accounting Services					
Audit Fees					
Reporting to DNRC	<i>Provide a cost estimate for all reporting to DNRC including the cost of preparing a final report. Project reporting to DNRC is a required and anticipated expense.</i>				
Other (Please Itemize)					
Total Administrative Costs					
Activity Costs					
Project Management:	<i>See Administration Costs vs. Project Management Costs.</i>				
Task 1: Enter Task Name for Each	<i>Activity Costs are the costs incurred to complete the work described in the Scope of Work. See project costs vs. program costs and ineligible expenses.</i>				
Task 2:					
Task 3:					
Task 4:					
Task 5:					
Task 6: (add or delete rows as needed)					
Total Activity Costs					
Total Project Costs					
TOTAL PROJECT COSTS					

Note: DNRC will recommend no more than **\$300,000** for most projects. DNRC may recommend up to \$500,000 for a project if the applicant has clearly demonstrated significant natural resource benefits and the financial need and unavailability of other funds to complete the project.

Example Budget Table 2. Project Budget Summary Form

Category	RDGP Grant	USFS	DEQ	FEMA	Landowner	Total
Administrative Costs						
Personnel Costs (Applicant)	\$5,475.00	\$0.00	\$0.00	\$10,000.00	\$0.00	\$15,475.00
Contracted Grant Administration	\$0.00	\$0.00	\$0.00	\$500.00	\$0.00	\$500.00
Office Supplies, Office Costs, and Communications	\$0.00	\$0.00	\$0.00	\$500.00	\$0.00	\$500.00
Travel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Legal Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Payroll and/or Accounting Services	\$3,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,000.00
Audit Fees	\$2,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500.00
Reporting to DNRC	\$8,775.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,775.00
Other <i>(Please Itemize)</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Administrative Costs	\$19,750.00	\$0.00	\$0.00	\$11,000.00	\$0.00	\$30,750.00
Activity Costs						
Project Management:	\$15,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,000.00
Task 1: Final Design and Permitting	\$0.00	\$0.00	\$0.00	\$44,000.00	\$0.00	\$44,000.00
Task 2: Construction Survey and Oversight	\$85,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$85,000.00
Task 3: Mine Pile Removal and Floodplain Grading	\$185,750.00	\$0.00	\$0.00	\$100,000.00	\$0.00	\$285,750.00
Task 4: Stream Restoration	\$50,000.00	\$25,000.00	\$0.00	\$80,000.00	\$20,000.00	\$175,000.00
Task 5: Demobilization	\$0.00	\$0.00	\$0.00	\$15,000.00	\$0.00	\$15,000.00
Task 6: Monitoring	\$0.00	\$0.00	\$4,212.00	\$0.00	\$0.00	\$4,212.00
Total Activity Costs	\$335,750.00	\$25,000.00	\$4,212.00	\$239,000.00	\$20,000.00	\$623,962.00
Total Project Costs						
TOTAL PROJECT COSTS	\$355,500.00	\$25,000.00	\$4,212.00	\$250,000.00	\$20,000.00	\$654,712.00

Note: DNRC will recommend no more than **\$300,000** for most projects. DNRC may recommend up to \$500,000 for a project if the applicant has clearly demonstrated significant natural resource benefits and the financial need and unavailability of other funds to complete the project.

5.3 BUDGET JUSTIFICATION NARRATIVE

The budget justification narrative must clearly demonstrate that the funding will be available to complete the project within the proposed budget. The application budget forms **may not** be used in lieu of the narrative. The narrative must explain the basis of the figures provided in the budget tables and how they match the scope of work described in [4.3 Scope of Work](#). Projects must be financially feasible to be eligible. Failure to submit adequate financial information will jeopardize your chance of receiving project funding.

Example: If the project budget lists \$12,600 in material costs, provide the breakdown for all material costs (120 tons of gravel @ \$30 per ton = \$3,600 and 50,000 square feet of geo-textile material @ \$0.18 per square foot = \$9,000. Total material cost = \$12,600).

5.3.1 Describe the Total Budget

Describe the total project budget in a narrative that demonstrates that the project is financially feasible. The costs should be designated either as *Administrative Costs* or *Activity Costs*. Please refer to the [Budget Category Explanation](#) above. Activity costs must be divided into the same tasks as outlined in [4.3 Scope of Work](#). Please identify the costs of professional contracted services, construction activities, travel, and other personnel for each task. **All costs, including those covered by matching funds, should be clearly identified in the budget narrative.**

The narrative should:

- Show how the amounts in each of the budget line items were calculated. Describe unit costs where applicable.
- Identify the costs associated with the tasks described in the project narrative. The budget justification narrative must clearly show the financial feasibility of the scope of work described in the project narrative.
- Identify the cost of personnel or contracted services for professional/technical services in both administrative and activity costs.
- Provide the unit costs for professional staff and contracted personnel, contracted services for project management, engineering design, or other.
- Clearly state the assumptions and sources of all cost estimates and the basis for computations.
- Provide a cost estimate for preparation of the progress reports and a final report to DNRC.
- Identify match funding sources and if those sources can only provide funding for specific items.
- Identify construction contingency costs and inflation factors that account for time lapse between project approval and receipt of funding.

Example of Administrative Cost Justification:

Total Administration: \$19,000

Personnel Cost, \$3,000

- Person 1, Applicant staff \$3,000 (\$1,000 Applicant, \$2,000 RDGP)
 - Planning, bookkeeping, review of progress reports, submittal of reports and invoices to DNRC

Contracted Grant Administration

- Person 2, Contracted Grant Manager, \$5,000 (\$5,000 RDGP)
 - Project coordination with applicant,
- Person 3, BLM staff \$5,000 (\$5,000 BLM)
 - Planning, bookkeeping, contracting, technical review, reporting

Reporting to DNRC

- Person 2, Contracted Grant Manager, \$6,000 (\$6,000 RDGP)
 - Writing progress reports, compiling reimbursement requests

RDG Funding: \$13,000

Match: \$5,000 (\$5,000 BLM, \$1,000 Applicant,)

Examples of Activity Cost Justification

Task X: Reclamation Design

Contractor will produce a reclamation design package that includes drawings, plans and specifications for the removal of approximately 9,000 cubic yards of waste material and safe containment in nearby repository site.

Consulting Services (see detailed budget showing personnel and rates in Appendix C):

- 200 hours – Engineering services, design preparation; Estimate \$23,000
- 40 hours – Project planning, contracting, and oversight; Estimate \$2,000

RDGP Funding: \$0 Match: \$25,000 (U.S. Forest Service)

Task Y: Restoration and Site Cleanup, \$71,680

Contractor will provide labor and revegetate the disturbed areas and streambanks along Stream X under the direction of project management personnel, using native grass seed mixes, container plants and woody species where appropriate. Work to occur following stream excavation work and in the fall or early spring to optimize planting success.

- Floodplain grading \$3,000 (500 cy x \$6.00/cy)
- Channel construction \$2,500 (100 lf x \$25.00/lf)
- Bank construction \$10,500 (300 lf x \$35.00/lf)
- Small channel construction \$1,000 (50 lf x \$20.00/lf)
- Plantings \$4,680 (1,560 x \$3.00/each)
- Topsoil \$20,000 (500 cy x \$40.00/cy)
- Fertilize, seed and mulch \$30,000 (12 acre x \$2,500/acre)

RDGP Funding: \$41,460

Match: \$30,000 (MT DEQ)

5.3.2 Operation and Maintenance

Identify the operation and maintenance costs necessary to support the project in the future. Identify the source of funds you will use to cover these expenses. Discuss how you plan to fund the ongoing operation and maintenance of facilities and infrastructure constructed with grant funding. Operations and maintenance costs are ineligible for RDGP funding (MCA 90-2-1112).

5.3.3 Financial Feasibility

i. Describe the Funding Structure

Describe the funding structure that ensures the project is financially feasible. Demonstrate that adequate sources of funds are available to complete the proposed project. Indicate any costs which remain undefined at the time of application. If the funding structure for your project contains uncommitted grant funds, please provide an explanation of how the project could proceed if the uncommitted grants were not realized, such as phasing the project.

ii. Identify Other Potential Sources of Funding

List any State or Federal reclamation programs or any other program or act that may provide funds for the project and reasonable expectations for receiving the funds.

Projects with financial responsibility from a settlement or reclamation bond must describe the amount of remaining settlement or bond funding for the project and explain why that funding is insufficient to cover the costs of the project. RDGP Statute states that:

“A project is not eligible for funding under the reclamation and development grants program to the extent that the project is eligible for and can reasonably be expected to receive funding from other state or federal reclamation programs or any other program or act that provides funding to accomplish remedial action for environmental damage or if the project is permitted under Title 82, chapter 4 or 11. A proposed project is not eligible for funding under the reclamation and development grants program if there is a liable party who would be relieved of financial or legal responsibility and who can reasonably be expected to be held responsible.” (MCA 90-2-1112)

5.3.4 Plan for Future Funding

If the project will require future phases and funding beyond the period for which funds are requested, include a plan describing how subsequent funds will be obtained.

6 ENVIRONMENTAL CHECKLIST

All applicants must consider the potential environmental impacts of their projects. Preparation of this document can alert applicants to consideration of location, design, or construction actions that will help to avoid potential adverse environmental impacts or expensive mitigation or construction costs. A project will not be eligible for funding if it would result in significant adverse impact after mitigation.

Please complete the environmental checklist found here: <http://dnrc.mt.gov/divisions/cadd/docs/resource-development/mepa-docs/mepa-checklist-and-instructions.docx>

Examples and training videos can be found here: <http://dnrc.mt.gov/divisions/cadd/resource-development/resources-and-training>

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Musselshell County – Bair-Collins (Meathouse Road) Reclamation and Musselshell River Restoration completed November 2020.



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